

MOREHEAD CITY NORTH CAROLINA

Gerald A. Jones, Jr., Mayor

COUNCIL

George W. Ballou, *Mayor Pro Tem*
Demus L. Thompson
William F. Taylor
Diane C. Warrender
Harvey N. Walker, Jr.

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David S. Whitlow
City Manager

June 22, 2015

Joint Legislative Committee on Local Government
Committee Chair and Committee Assistant
N. C. General Assembly
16 W. Jones Street
Raleigh, North Carolina 27601

AND

Fiscal Research Division
N. C. General Assembly
Suite 619
Legislative Office Bldg
300 N. Salisbury Street
Raleigh, North Carolina 27603-5925

Subject: Proposed Debt Issuance
Land Purchase from NC Department of Administration
Parcel IDs: 638620718127000 638629708857000
638620709868000 638620808907000
Town of Morehead City
Carteret County, NC

Dear Sir:


This letter is provided in accordance with Session Law 2011-291 (House Bill 595) requiring reporting of certain debt issuances.

Please be advised that the Town of Morehead City was granted the right of first refusal to acquire the NC Department of Administration's (NCDOA) parcels at fair market value. The Town agreed to accept the right of first refusal and has been granted the right to acquire the parcels for \$2,605,000 in twenty annual installments paid to the NC Department of Administration with the assistance and approval of the Local Government Commission. This sale has been approved by the Council of State. The NCDOA and the Office of the NC Attorney General are currently drafting the sale and loan documents. A formal application will be submitted to the Local Government Commission once all required documentation has been received.

If you have any questions, please do not hesitate to call me.

Sincerely,

Town of Morehead City



Gerald A. Jones, Jr.
Mayor

cc: Greg Gaskins, Deputy Treasurer, State and Local Finance Division



NOTICE TO JOINT LEGISLATIVE COMMITTEE ON LOCAL GOVERNMENT

June 29, 2015

Joint Legislative Committee on Local Government
16 West Jones Street
Raleigh, North Carolina 27601
Attention: Committee Chairs and Assistant

North Carolina Local Government Commission
325 North Salisbury Street
Raleigh, North Carolina 27603-1388
Attention: Secretary

Fiscal Research Division
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925
Attention: Acting Director

City of Kannapolis, North Carolina Special Obligation Bond

In accordance with N.C. Gen. Stat. §120-157.2(a) (the "*Statute*"), the City of Kannapolis, North Carolina (the "*City*") hereby notifies you of its intent to seek approval of the North Carolina Local Government Commission (the "*Commission*") for special obligation bonds (the "*SOB*") at the Commission's meeting scheduled for August 4, 2015 or September 8, 2015 or such later meeting as the City and the Commission may determine.

The City expects to issue the SOB under N.C. Gen. Stat. §159I-30 and a bond order and bond resolution to be adopted by the City Council of the City. The SOB will be purchased by a financial institution to be determined (the "*Bank*") in an approximate amount of \$11,000,000 to finance the purchase of real property comprising most of the City's downtown and to renovate and rehabilitate certain of the purchased buildings (the "*SOB Projects*").

The SOB will be a special obligation of the City, secured by and payable from certain revenues that will be identified in, and pledged under, the bond order. The City expects such revenues to consist of the City's receipts from local-option sales taxes. Neither the credit nor the taxing power of the State of North Carolina or the City will be pledged to the repayment of the SOB. The final maturity of the SOB will be no more than 20 years.

PPAB 2799309v1

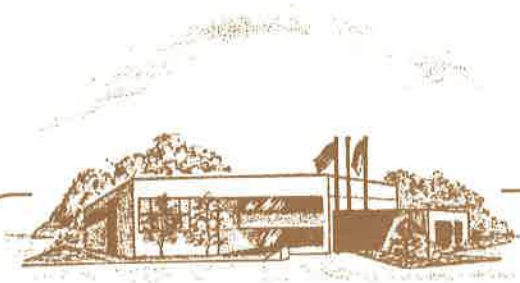
If you would like any additional information, please feel free to contact me at 704-920-4307.

CITY OF KANNAPOLIS, NORTH CAROLINA

By:

A handwritten signature in dark ink, appearing to read "Eric Davis", is written over a horizontal line.

Eric Davis
Finance Director



THE CITY OF KINGS MOUNTAIN

P.O. BOX 429 • KINGS MOUNTAIN, NORTH CAROLINA 28086 • 704-734-0333

June 29, 2015

Joint Legislative Committee on Local Government
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, North Carolina 27601
Attention: Committee Chairs and Committee Assistant

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building
Suite 619
300 North Salisbury Street
Raleigh, North Carolina 27603-5925

Re: Financing for the City of Kings Mountain, North Carolina, in the construction of a natural gas delivery point.

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the City of Kings Mountain, North Carolina (the "City") hereby notifies you of its intent to utilize an installment purchase contract under North Carolina General Statute 160A, Article 3, Section 20. The principal amount is not to exceed \$1,800,000 to finance the construction of a natural gas delivery point. The project is located at the 1250.5 milepost of Transcontinental Gas Pipe Line Company, LLC in Cleveland County, North Carolina.

The repayment of the Loan will be secured solely by the revenues of the City's Gas Fund with the first estimated debt service payment budgeted in the 2014-2015 City of Kings Mountain Budget. It is expected that the Loan will have a term of ten years.

The City expects the North Carolina Local Government Commission to consider the City's proposal to enter into the Loan at its October 6, 2015 meeting

Please let us know if you require any additional information.

CITY OF KINGS MOUNTAIN, NORTH CAROLINA

By: 
Beverly C. Moschler, CLGFO
Finance Director

cc: Local Government Commission